Financial position of oil companies

1200. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether three Public Sector Oil Companies are projected to suffer an under-recovery of Rs. 70,000 crore during financial year 2007-08;

(b) whether these oil companies reportedly need substantial funds not only to meet their current requirements of payment for crude oil imports and other operations, but also further investments in new explorations, new refineries, capacity additions and fuel quantity improvement schemes etc;

(c) if so, in what manner Government proposes to solve financial problem of oil companeis;

(d) whether Government has so far studied "Repercussions of High Crude Oil Prices on Indian Economy"; and

(e) if so, with what results?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI PINSHA J. PATEL): (a) to (e) The international prices of crude oil and petroleum products have remained high and volatile since 2004. As passing on the entire impact of the steep increase in the oil prices to the concumers would have resulted in hardship to the common man, the retail selling prices of sensitive petroleum products namely petrol, diesel, PDS Kerosene and domestic LPG have not been increased in tandem with the international oil prices. Due to this, the Public Sector Oil Marketing Companies (OMCs) are incurring under-recoveries on domestic sale of these sensitive petroleum products. The details of gross under-recoveries of OMCs on sale of sensitive petroleum products during 2006-07 and April-Dec'07 is as below:

(*Rs. Crore*)

Product	2006-07	April-Dec'07 (Prov.)
Petrol	2027	4584
Diesel	18776	20155
PDS Kerosene	17883	13441
Domestic LPG	10701	9459
TOTAL :	49387	47619

(Gross under-recoveries without considering refinery discount, oil prices bonds and upstream assistance.)

To deal with the steep escalation in international oil prices, Government has adopted the principle of equitable burden sharing between the Government, the oil PSUs and consumers to protect the interests of common man, vulnerable sections of society and also the financial health of OMCs. In this context, the Government has made a marginal increase in petrol and diesel prices by Rs. 2/litre and Re. 1/litre respectively with effect from 15.2.2008, which is actually in the nature of a restoration of their retail prices to the price level operating before February, 2007. The Government has issued Oil Bonds and the Upstream Oil Companies

have also contributed by offering discount on crude oil and petroleum products to partially compensate the under-recoveries of OMCs as per the details given below:

(*Rs. crore*)

Year	Oil Bonds issued by Government	Contribution by Upstream Oil Companies
2006-07	24121	20507
Apr-Dec'07	11257*	15873#
TOTAL :	35378	36380

*For Apr-Sep'07
#Apr-Dec'07 (Provisional)

The Government is closely monitoring the international oil prices and will continue to protect the interests of consumers.

Establishment of CNG filling stations

†1201. DR. PRABHA THAKUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number fo CNG filling stations opened up during the last years for the use of vehicles in various States;

(b) whether any CNG filling station has been opened up in any of the cities in Rajasthan together with the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) As per available information, 76 CNG filling stations were opened during 2006-07.

(b) and (c) Presently no CNG station has been opened up in Rajasthan. Until recently, no trunk pipeline for natural gas was available in vicinity of the major cities of Rajasthan. GAIL has commissioned Vijaipur-Kota pipeline only in January 2007. GAIL has applied to Petroleum & Natural Gas Regulatory Board (PNGRB) for authorization for Kota and other cities of Rajasthan.

LPG Connections in Jharkhand

1202. MS. MABEL REBELLO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the total number of domestic LPG connections in Jharkhand;

(b) how many are waitlisted for LPG connections there;

(c) how many LPG connections were released in Jharkhand during last three years; and

†Original notice of the question was received in Hindi.